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June 18, 2014

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: Request of Kiawah Island Utility, Inc. To Substitute Lender And Substitute Entity For Transfer
Of Stock
Docket No.: 2012-252-WS

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff ("ORS") does not oppose of the request of Kiawah Island Utility, Inc. ("KIU") for approval to Substitute Lender and Substitute Entity for Transfer of Stock. As stated in its request, KIU seeks to obtain a loan from PNC Bank, National Association ("PNC"), rather than Wells Fargo Bank ("WFB"). The loan will be for a lesser amount; however, the proceeds will be used identically.

In addition, Kiawah Resort Associates, LP ("KRA") and KIU must substitute a different entity for Bear Island Holdings, LLC to receive stock from KRA. The new entity, KIU Holdings, LLC, is entirely owned by KRA's owner. KIU states everything will move according to the transactions described in Order No. 2013-107 with the exception that KIU Holdings, LLC, will be substituted for Bear Island Holdings, LLC.

Lastly, KIU acknowledges the above changes will not (1) affect its operations or customers or (2) alter the reporting requirements or the settlement terms approved in Commission Order No. 2013-107. Accordingly, ORS does not oppose KIU's request.

Sincerely,

Shannon Bowyer Hudson

SBH/fes

cc: G. Trenholm Walker, Esquire (via E-mail and U.S. Mail)
Frank R. Ellerbe, III, Esquire (via E-mail and U.S. Mail)